Biorem Reports Second Quarter Results and Record Order Backlog

GUELPH, ON, Aug. 23, 2023 /CNW/ - BIOREM Inc. (TSXV: BRM) ("Biorem" or "the Company") today announced its results for the three and six-month periods ended June 30, 2023. Biorem's complete second quarter financial statements and MD&A have been filed on SEDAR (www.sedar.com).

FINANCIAL HIGHLIGHTS:

in Canadian dollars, '000's except earnings per share

	Three-months ended June 30		Six -months ended June 30	
	2023	2022	2023	2022
Revenue	4,280	6,264	7,449	10,645
Gross profit	954	1,456	1,070	2,335
Operating expenses	1,018	1,170	1,824	2,112
Ebitda*	-	319	(161)	378
Net earnings (loss)	(96)	164	(650)	64
EPS - basic	(0.006)	0.011	(0.042)	0.004
EPS - fully diluted	(0.006)	0.010	(0.042)	0.004

* Earnings before interest, taxes and amortizaton, a non IFRS financial measure

Biorem's revenues for the second quarter were $4.3 million, a 35% increase over the previous quarter but 32 % lower than the $6.3 million of revenues reported in the same quarter in 2022. Year to date revenues totalled $7.4 million, a 30% decrease over the $10.6 million reported for the first six months of 2022. The decrease in revenues for the first six months of 2023 compared to the prior year is entirely due to delays in customer project construction schedules that were beyond Biorem's ability to influence.

During the quarter the Company booked $16.8 million in new orders resulting in a record order backlog of $51.5 million on June 30, 2023 compared to an order backlog of $39 million on June 30, 2022.

The Company expects this record backlog to enable the Company to deliver a strong second half of the year in terms of revenues and earnings.

"While customer execution delays on projects have deferred revenue into the later half of 2023 and early 2024, market demand for our solutions continues to grow robustly," said Derek S. Webb, President and CEO. "Our backlog continues to grow at an aggressive pace supported by expanding product lines and we anticipate robust financial results once customer delays are rectified."

"Investment in infrastructure for both Canada and the USA continues to be strong and the company has high visibility on many projects requiring the quality and performance that our solutions provide. This should provide medium to long term demand for BIOREM products and services", continued Mr. Webb.

Gross profit for the quarter was $954,000 or 22.2% of revenue compared to $1.5 million of gross profit representing 23.2 % of revenue recorded during the second quarter of 2022. Total operating expenses (net of other income) for the quarter were $1,018,000 against $1,170,000 in the same period the prior year. The decrease in operating expenses in 2023 was primarily due to lower general and administrative expenses partially offset by a $90,000 increase in foreign exchange loss. Ebitda for the quarter was nil compared to $319,000 of ebitda in the second quarter of 2022.

The Company had a net loss for the quarter of $96,000, with a year to date loss of $650,000 compared to net earnings of $64,000 for the first half of 2022.

Cash on hand at June 30, 2023 decreased to $1.6 million. Earnings from operating activities during the quarter used $39,000 of cash and net increases in non-cash working capital items used a further $3 million of cash reserves. Working capital at June 30, 2023 stood at $3.4 million.

About BIOREM Inc.

BIOREM is a leading clean technology company that designs, manufactures and distributes a comprehensive line of high-efficiency air emissions control systems used to eliminate odors, volatile organic compounds (VOCs), and hazardous air pollutants (HAPs). With sales and manufacturing offices across the continent, a dedicated research facility, a worldwide sales representative network and more than 1,600 installed systems worldwide, BIOREM offers state-of-the-art technology-based products and peace of mind for municipalities, industrial companies and their surrounding communities. Additional information on Biorem is available on our website at www.biorem.biz.

View original content: https://www.prnewswire.com/news-releases/biorem-reports-second-quarter-results-and-record-order-backlog-301907510.html

SOURCE Biorem Inc.

View original content: http://www.newswire.ca/en/releases/archive/August2023/23/c5742.html

%SEDAR: 00020304E

For further information: Derek S. Webb, President and Chief Executive Officer, dwebb@biorem.biz, Tel: (519) 767-9100 or Douglas Newman, Chief Financial Officer, dnewman@biorem.biz, Tel: (519) 767-9100

CO: Biorem Inc.

CNW 08:00e 23-AUG-23